



CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Rob Jammerman, Development Engineering Manager
Pam Bissonnette, Public Works Director

Date: April 25, 2013

Subject: TRAFFIC, PARK, AND SCHOOL IMPACT FEE PERMANENT EXTENSION OF DEFERRED PAYMENTS FOR SINGLE FAMILY RESIDENTIAL BUILDINGS

RECOMMENDATION:

It is recommended that the City Council adopts the attached ordinance amending the City's traffic, park, and school impact fees codes (KMC Chapter 27.04, 27.06 and 27.08).

BACKGROUND DISCUSSION:

Staff has prepared an ordinance that will permanently codify the Single-Family Residential Building Permit Impact Fee Deferral Program. The interim ordinance is set to expire on May 31st, 2013.

The City has been administering an impact fee payment deferral program for single-family residential building permits via an interim ordinance for the past three years. The program was established to assist with economic development by allowing developers to pay the impact fees at the time the new house is sold rather than at Building Permit issuance. Since the ordinance was first implemented, 18 new single-family Building Permit applicants have used the program and staff expects to see an increase in the use of this program as development activity continues to increase.

There is pending state legislation that will require all municipalities that collect impact fees to offer an impact fee deferral program for both single-family and condominium Building Permits. If this legislation is enacted, municipalities must adopt a deferment program by December 1, 2013. This will require Kirkland to draft an amendment to the program to allow for the deferment of impact fees for condominium Building Permits. To date, Kirkland has never received a request to defer the impact fees for condominiums and to do so would be logistically challenging. Therefore no proposal to add condominiums is included at this time. Staff will monitor the state legislation and bring forward any necessary changes if it passes.

Attachment

ORDINANCE O-4407

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO TRANSPORTATION, PARK, AND SCHOOL IMPACT FEES AND AMENDING THE KIRKLAND MUNICIPAL CODE TO ALLOW FOR THE DEFERRAL OF THE PAYMENT OF IMPACT FEES TO THE TIME OF CLOSING OF THE SALE OF THE LOT OR SINGLE-FAMILY RESIDENTIAL UNIT.

The City Council of the City of Kirkland do ordain as follows:

Section 1. Kirkland Municipal Code Subsection 27.04.030(g) is amended to read as follows:

27.04.030 Assessment of impact fees.

~~(g) For complete building permit applications received on or prior to May 31, 2013, a~~At the time of issuance of any single-family residential building permit issued for a dwelling unit that is being constructed for resale, the applicant may elect to record a covenant against the title to the property that requires payment of the impact fees due and owing, less any credits awarded, by providing for automatic payment through escrow of the impact fee due and owing to be paid at the time of closing of sale of the lot or unit. Applicants electing to use this process shall pay a two hundred forty dollar administration fee for each individual lien filed.

Section 2. Kirkland Municipal Code Subsection 27.06.030(g) is amended to read as follows:

27.06.030 Assessment of impact fees.

~~(g) For complete building permit applications received on or prior to May 31, 2013, a~~At the time of issuance of any single-family residential building permit issued for a dwelling unit that is being constructed for resale, the applicant may elect to record a covenant against the title to the property that requires payment of the impact fees due and owing, less any credits awarded, by providing for automatic payment through escrow of the impact fee due and owing to be paid at the time of closing of sale of the lot or unit. Applicants electing to use this process shall pay a two hundred forty dollar administration fee for each individual lien filed.

Section 3. Kirkland Municipal Code Subsection 27.08.030(e) is amended to read as follows:

27.08.030 Assessment of impact fees.

~~(e) For complete building permit applications received on or prior to May 31, 2013, a~~At the time of issuance of any single-family residential building permit issued for a dwelling unit that is being constructed for resale, the applicant may elect to record a covenant against the title to the property that requires payment of the impact fees due and owing, less any credits awarded, by providing for automatic payment through escrow of the impact fee due and owing to be paid at the time of closing of sale of the lot or unit. Applicants

electing to use this process shall pay a two hundred forty dollar administration fee for each individual lien filed.

Section 4. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 5. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2013.

Signed in authentication thereof this ____ day of _____, 2013.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney